



August 28, 2003

**Pennsylvania man admits
Internet auction fraud**

**Ryan Craig, working in concert with Arthur Jordan, of North Kingstown,
auctioned non-existent merchandise over Internet auction sites**

Ryan J. Craig, 20, of Lancaster, Pennsylvania, has pleaded guilty to conspiracy to commit wire fraud, admitting that he engaged in a scheme to defraud users of Internet auction sites by posting for auction nonexistent merchandise. Craig and a codefendant conned their victims out of at least \$77,067 through fraudulent auctions.

The Office of the United States Attorney and Kenneth R. Jones, Inspector in Charge of the U.S. Postal Inspection Service, jointly announced the guilty plea, which Craig entered today before U.S. District Court Judge William E. Smith in U.S. District Court, Providence. Craig is detained on an unrelated charge in Pennsylvania pending his sentencing on the federal charge, which is scheduled for November 14 before Judge Smith.

At the plea hearing today, Assistant U.S. Attorney Luis M. Matos said that, in 2001, Craig entered into a conspiracy with **Arthur Jordan**, of North Kingstown, to auction nonexistent items on various online auction services, including eBay, and to keep the money forwarded to them by the duped bidders.

In October and November 2001, Craig, using a series of fraudulent screen and personal names, posted numerous fraudulent auction listings, offering to sell various items, such as

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personal computers and camera equipment. Craig admitted today that neither he nor Jordan possessed the items they posted for sale nor did they intend to deliver the merchandise.

\$77,067 from 40 victims

After the auctions were completed, Craig instructed the winning bidders to wire the purchase amount, plus shipping and handling charges, to a bank account in Jordan's name in Kingston. Craig and Jordan induced approximately forty victims to wire at least \$77,067 to Jordan's account in Rhode Island. Jordan then wired most of the funds to a Pennsylvania bank account in Craig's name. On November 6, 2001, Jordan wired approximately \$33,515 to Craig's account and the following day he wired approximately \$22,015.

In May, Craig was charged in an information with one count of conspiracy to commit wire fraud, the charge to which he pleaded guilty today. The statutory maximum penalty for conspiracy is five years in federal prison and a \$250,000 fine. Craig's sentence will be determined on the basis of federal sentencing guidelines, which take into account such factors as the specific nature and impact of an offense and a defendant's criminal background, if any.

Jordan pleads guilty

In June 2002, Jordan, 34, of 505 Ten Rod Road, North Kingstown, pleaded guilty to conspiracy to commit wire fraud, admitting his role in the auction fraud scheme. He is free on unsecured bond pending sentencing.

The **U.S. Postal Inspection Service** investigated the case. Assistant U.S. Attorneys Matos and Dulce Donovan are prosecuting it.

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